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## **EMERGENCY [STEEL] [OIL AND GAS] LOAN GUARANTEE BOARD**

### **OFFER OF GUARANTEE**

TO: [Agent or Lender]  
[Address]

DATE: [ ]

Reference is made to your application, dated [ ] and submitted pursuant to the Emergency [Steel] [Oil and Gas] Loan Guarantee Act of 1999, Pub. L. No. 106-51, and the regulations promulgated thereunder, 13 C.F.R. Part [400] [500], (the "Application") for a guarantee by the Emergency [Steel] [Oil and Gas] Loan Guarantee Board (the "Board") of the loan referred to in the Application (the "Loan"), which is proposed to be extended to [ ] (the "Borrower") by [you] [the lenders referred to in the Application] (the "Lender[s]").

This is to advise you that, subject to the satisfaction in full of each of the conditions set out below, the Board has approved the Application and will issue to [you] [the Lenders] its guarantee of the Loan in substantially the form attached hereto as Exhibit A (the "Guarantee").

#### **Conditions to Issuance of the Guarantee**

The Board will execute and deliver the Guarantee only upon the satisfaction of each of the following conditions and may, in its sole discretion, terminate this offer upon notice to you if any of these conditions is not met on or before [ ], 2000:

1. Each of the Borrower, [the Agent] and [you] [the Lenders] shall have duly executed and delivered the Guarantee to the Board;
2. Each of the loan agreement, the security agreements and instruments, the certificates, and the opinions of counsel submitted in draft as a part of the Application and identified in Schedule 1 hereof, and each other document required to be delivered under any thereof prior to or upon the closing of the Loan, shall have been duly executed and delivered by each party thereto, modified to the satisfaction of the Board from their draft form as described in Schedule 1, and counterpart executed originals thereof shall have been delivered to the Board;
3. Borrower, [the Agent] and [you] [the Lenders] shall have received all regulatory or judicial approvals necessary to enter into the Loan and each of the agreements referred to in paragraph 2 above, [including, without limitation, the [confirmation

of the plan of reorganization of Borrower] [approval for the purchase by Borrower with the proceeds of the Loan of the [steel] [oil and gas] assets identified in the Application] by the United States Bankruptcy Court for the District of [ ] in the matter of [ ]; and

4. There shall have been no material adverse change since the submission to the Board of the Application in the value of the property or guarantees proposed as security for the Loan, or in the business, operations, assets, liabilities (contingent or otherwise), or financial condition of the Borrower.

In addition, this offer must be accepted by Borrower, [the Agent] and [you] [the Lenders] by means of returning a countersigned copy of this offer to the Board on or before [ ], 2000 and, if not so accepted, this offer will be subject to termination by the Board.

Should you have any questions regarding this offer, you may contact [ ], Executive Director of the Board, U.S. Department of Commerce, Washington, D.C. 20230, (202) 482-[ ].

**THE [STEEL] [OIL AND GAS] LOAN  
GUARANTEE BOARD**, an Instrumentality  
of the United States of America

By: \_\_\_\_\_  
Name:  
Title: Executive Director

**AGREED AND ACCEPTED**

[LENDER OR AGENT ON  
BEHALF OF THE LENDERS]

By: \_\_\_\_\_  
Name:  
Title:

[BORROWER]

By: \_\_\_\_\_  
Name:  
Title:

**ANNEX A**

**FORM OF GUARANTEE**

**SCHEDULE 1**

**LOAN DOCUMENTATION**

Document	Modifications Required
I. <u>Loan Documents:</u>	
II. <u>Security and Guarantee Documents:</u>	

